

Bachoco[®]



2019
SUSTAINABILITY REPORT

2020

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MATERIALITY

1. MESSAGE FROM THE CEO

[102-14, 102-15]



The 2019 financial year was a period of great challenges and was characterized, among other things, by a drop in economic growth. Bachoco reached a period in which, from the scope of sustainability, several actions were carried out to further our vision, actions and goals to generate value to all our audiences and thus be a more sustainable institution.



In this report, you can see the initiatives and results obtained in Bachoco Mexico operations, which focus on four pillars to achieve a comprehensive impact::

- Boost our talent
- Strengthen our business
- Contribute to our community
- Take care of our planet

Within the results of Bachoco México, in line with boosting our talent, we increased our workforce by hiring 1,361 employees, while in our Center of Excellence we trained more than 5,800 employees.

Regarding the strengthening of the business, we fully comply with all official Mexican regulations and standards related to the care of our animals and all production and distribution processes.

As a reflection of our efforts, MERCO recognized us in position 33 within the top 100 of companies with the best corporate reputation and we obtained the 2019 Gold and Silver Quality Award granted by the World Marketing Organization.

With our effort and the construction of an identity based on images and phrases that reflect the emblematic Mexican culture, we manage to generate a familiar voice with our clients, which contributes to reinforce loyalty and our leadership. In terms of contributing to our community,

through our “Nourishing together” program, we support the nutrition of more than 18,200 infants and adults through more than 2.4 million breakfasts. In addition, with the donation program we benefit more than 33 thousand people with products such as chicken and eggs.

Regarding taking care of our planet, in 2019 four new capillary leaching ditches or infiltration ditches were added, through which we filter and improve the quality of water in order to reuse it.

Regarding the quality and transparency of our information of a sustainable nature, we have taken very relevant steps, by carrying out an in-depth materiality analysis and presenting this report, which complies with the GRI methodology, and making our actions more explicit and thus be able to generate a history of the results obtained.

At Bachoco we are very aware of the moments that our company, the country and the world are going through, so we will redouble our efforts in the face of this period that undoubtedly presents great challenges. However, we are certain that our knowledge, technology, capacity, and above all the passion with which we work, will be the most relevant aspects to be a more sustainable company and capitalize on the opportunities that especially present themselves at this juncture.

Rodolfo Ramos Arvizu
CEO



2. RELEVANT FIGURES 2019 ^[102-7]



WE STRENGTHEN OUR BUSINESS

- Number 33 of the top 100 of companies with the best corporate reputation recognized by MERCO.
- 97% of our suppliers are national.



WE BOOST OUR TALENT

- 5,868 employees trained in our Center of Excellence.
- 11,939 employees participated in the 2019 Wellness Week.



WE TAKE CARE OF OUR PLANET

- 4 new capillary leach ditches or infiltration ditches.
- We comply with 12 regulations for the care of our animals.



WE CONTRIBUTE TO OUR COMMUNITY

- 18,200 children and older adults benefited from our Nourishing together program
- \$13,042,000 invested to benefit 33,869 people with our Institutional Donations Plan.



3. OUR CULTURE [102-4, 102-6]

Bachoco was founded in 1952 by the Robinson Bours family in Sonora, Mexico. We quickly became the leading company in poultry production and distribution, both nationally and globally.

We have more than 80 distribution centers in Mexico.

We are known for being a Mexican company that strives every day to provide the best quality food to families in Mexico. Day by day we reinforce our commitment as a socially responsible company that looks after the well-being of its talent, environment, business and community.

FROM THIS PRECEPT ARISES OUR PHILOSOPHY:

✓ OUR MISSION

Always offer fresh, nutritious, delicious and healthy products, increasing the food quality of the our consumers.

Common benefit. My performance always assumes respect for the dignity and common welfare, above the individual good.

✓ OUR VISION

To be the most important multi-protein food company in Mexico and internationally, focused on the nutrition of the population and on providing a superior service to our clients based on quality, sustainability and excellence in everything we do.

Austerity. I appreciate the disposition of the company's assets and resources, refusing the unnecessary and meaningless, taking care of the company's assets and giving them the proper use.

Innovation. I am innovative when I promote inventive alternatives, to respond to the needs of my internal and external clients, and to business processes.

✓ OUR VALUES

Integrity. I act with integrity because my behavior makes me respectable, inside and outside Bachoco.

Efficiency. When i generate and promote equal or higher results than expected, taking full advantage of the company's resources.

Trust. I am reliable because my actions and my word are a guarantee of the fulfillment of the commitments that I assume.

Service. I act with service when I provide timely, efficient, kind and respectful attention to our internal and external clients.

COMMITMENT TO SUSTAINABILITY



We are a socially responsible company and we continually evolve to achieve the best results. To achieve a comprehensive impact, our efforts are concentrated on four pillars reflected in this report: We boost our talent, We take care of our planet, We strengthen our business and We contribute to our community.

Each of these axes is essential for us to function as a company. This allows us to have a balance between our collaborators, our products, our environment, communities, and ourselves as a business. In this way, we are able to offer the best service and quality in our products.

WE STRENGTHEN OUR BUSINESS

We have operations throughout Mexico and the United States for the production of: chicken, eggs, pork, balanced feed, pet food and value-added products of turkey and beef.

We rely on various tools to promote an environment of honesty among all our collaborators, such as: the Code of Ethics, an Ethics Committee and internal and external complaint mechanisms. In this way, our collaborators have the possibility of expressing their disagreements, which allows us to grow as a company, always thinking in our people.

We also launch annually communication campaigns to reinforce the culture of integrity.

WE BOOST OUR TALENT

We know that for our company to continue to remain an industry leader, as well as prosper and continue innovating, we need the best team. To do this, we take care of conducting training programs and courses on various topics.

We implement health campaigns, nutritional education, among other initiatives to offer the best working conditions, with which we also support Sustainable Development Goal (SDG) 8, offering decent work and together walking towards success.

WE TAKE CARE OF OUR PLANET

The environment is a subject of great impact in our company since we obtain our resources from nature. For this reason, we carry out many actions to reduce the consumption of resources such as water, energy and gas emissions.

We continually review our processes to implement new measures that help us decrease our environmental footprint.

WE CONTRIBUTE TO OUR COMMUNITY

To grow as a country we need everyone's effort and support. With this in mind, we decided to contribute to SDG 2 and put our two cents in what we know how to do best: **food**.

We have developed various programs to reduce hunger and inequalities, such as the Bachoco Nourishing together Half Marathon to raise funds for the construction and rehabilitation of community canteens, in collaboration with the National System for the Integral Development of the Family, with the aim of improving the nutrition of our rural communities, mainly of street children.

In addition, with our Institutional Donations program we make economic or in-kind contributions through a social impact study, in aspects of food, nutrition, education, among others





4.

WE STRENGTHEN OUR BUSINESS [102-2, 102-6]

We are a vertically integrated company and our main line of business is poultry. We produce and commercialize chicken and egg products, live swine, we elaborate and commercialize added value turkey and beef products; and balanced food. We also have a wide distribution network throughout Mexico and production centers in the United States.

*We are proud to report that MERCO * recognized us in 33rd place in the top 100 of companies with the best corporate reputation.*

* Corporate Reputation Business Monitor

PRODUCTS



We know that to fulfill our mission we must continue offering the best quality possible, because thanks to this we have achieved growth worldwide.

Our products are distributed and commercialized worldwide. In Mexico we have our own fleet that is responsible for transporting our chicken products. In the United States, we have a subsidiary that, through third parties, supplies food service chains nationwide, as well as participating in the export market.

Live chicken is mainly commercialized in the center and south of Mexico.

Through our subsidiary CAMPI, we have six food plants for the production of a wide range of pet food products and balanced feed for birds, cows, pigs and fish, among others. These are sold to third parties, and are mainly distributed in central and southern Mexico.

QUALITY OF OUR PRODUCTS ^[417-1]

As part of the diet of Mexican families, we must ensure that our offer is of the best quality, therefore all our products are approved by high quality and safety standards. Our policy is to comply with all the official regulations and norms of Mexico in the production and development of products, as well as in the ingredients that we use to guarantee the food safety of all our products, in accordance with the Safe Quality Food, SQF certification. Compliance with these standards is also required from our suppliers.

In order for consumers to enjoy better of our products, we provide the necessary information on the packaging.

What do we register on our packaging?

- Label details.
- Plant where the product was produced and the TIF number assigned to each plant.
- Address and telephone number of the production plant.

What do we mention in our products?

- Hormone-free product statement “Always natural, zero hormones” on all chicken product.

In case of chicken and egg:

- Nutrition statement.
- Expiration date.
- Temperature conditions and cooking recommendations.
- Declaration in cases where there may be allergens.

What regulations do we align ourselves with?

- The packages are sent to the verification unit to evaluate that it complies with NOM 051, once the approval is obtained, the packages are printed.

HEALTH AND SAFETY OF OUR PRODUCTS

We know that the health and safety of our consumers comes first, that is why we work and follow a series of regulations at national and international level in the development of all our products.

Our effort has been reflected and recognized by obtaining:

- **Safe Quality Food Certification** in all packing and processing plants (Celaya, Tecamachalco, Culiacán, Hermosillo, Lagos, Mérida, Ciénega, Empacadoras Mérida and TROSI Packing Plants); and in our Pet Food plants (Chinameca, Ezequiel and Urecho).
- Distinction “**Gold and Silver for Quality 2019**” awarded by the **World Marketing Organization (WMKTO)**, for being a leading company in the industry.





PRESENCE IN THE MARKET ^[102-9]

Being the leading company in the industry has taken a lot of effort and a lot of work. Year after year, we work to improve and innovate our brand in the market, as well as all our products.

Mexico is a country with a great culture. That is why the identity of Bachoco México is proudly based on images and phrases that characterize such emblematic attributes of Mexicans. In this way, we managed to create a single voice that reflects the lifestyle of our clients through our traditional billboards and social networks.

As for our products, the main ones that represent us in the market are white and red eggs. These are the basis of our market strategy, because in this way, the packaged egg with brand identification has allowed us to build consumer loyalty to the brand.

We have 773 intangible assets of property, industrial and intellectual registered in Mexico and abroad.

The brands we use to market our products are our property and their rights are renewed every 10 years.

We have various short, medium and long-term contracts for: leases, partnerships, supplies and sales of raw materials, machinery, assembly contracts and contracts for the provision of all kinds of services necessary for its operation, among others.

Our supply chain is made up of:

- 97% national suppliers.
- 2% U.S. suppliers.
- 1% of suppliers from other countries.





INTEGRITY AND TRANSPARENCY

[102-18, 103-2, 103-3]

The guidelines and policies that we must follow so that all our operations are carried out with honesty, transparency and respect are reflected in our Code of Ethics.

We reinforce these principles with communication and training campaigns to strengthen the culture of integrity and the knowledge of our collaborators of the Code of Ethics, as well as our values, beliefs, our mission and vision.

These dissemination and training processes are audited by an external entity for compliance with the Sarbanes-Oxley Law, (SAROX). The same audit incorporates the evaluation of the operation processes of the Ethics Committee and the reporting channel, regarding the attention to reports received. The Company's code of ethics process is externally audited by Deloitte S.C., under the regulations established by the Sarbanes-Oxley Law for companies listed on the New York stock market, and the COSO regulatory framework in its 2013 version.

CORPORATE GOVERNANCE

Our company has a governance structure that aims to make the best decisions to continue growing, innovating and leading the industry. Through this, decision-making is carried out in terms of economic, environmental and social aspects. It consists of:

- Executive Committee
- Audit Committee
- Directive Committee
- Illicit Forecast Committee
- Risk Committee; Investment committee
- Management Committee in Business Units
- Flow Committee
- SAROX Committee

REPORTING CHANNELS

To promote, monitor and ensure that our entire team develops in an environment of respect and integrity, we have different channels that are available in the event that our collaborators are victims of any misconduct and through which they can report anonymously and safely.

Internally, collaborators can report directly to their immediate boss, to those responsible for Human Resources or to the Audit committee. (comitedeauditoria@bachoco.net)

We have a complaint line operated by an independent agent to Bachoco, called Resguarda, so that collaborators and external parties report situations contrary to the Code of Ethics, whether it is behavior or processes.

- External line: 01 800 123 3312
- Website: www.resguarda.com
- Email: reportes@resguarda.com

ATTENTION TO COMPLAINTS AND / OR SUGGESTIONS

[413-1]

The opinions of our consumers are very important to us, as they help us improve day by day. We are interested in knowing and for this reason we have various channels to receive complaints and / or suggestions about our products and / or production processes.

Within our portfolio of means of receiving complaints and suggestions is our CRM (Customer Relationship Management) system, which is a fundamental part of our business processes, and as such, is the channel with the highest priority in the care provided by our executives to customers, followed by the *Bachoco channel near you*.

Bachoco near you is another of our support tools to attend to the concerns of our clients. The latter sends the request via email to the corresponding department and the request is answered and sent in a period not exceeding 72 hours.

It is important to mention that, although our social networks are not considered an official complaints mechanism, all messages sent to our website and our networks are channeled directly to the Customer Service area, thus guaranteeing proper follow-up on comments from all our clients.

Bachoco cerca de ti:

- 800 607 5000 from Monday to Friday from 8:00 a.m. to 6:00 p.m.





5. WE BOOST OUR TALENT

We have a committed team, who help us day by day to maintain our leadership and continue innovating.

TALENT ATTRACTION AND RETENTION ^[401-2]



We are aware that our team helps us to continue growing day by day through their time, dedication and commitment; given this, we reward their effort through various initiatives to help our collaborators enjoy the conditions in which they develop with the following benefits:

NON-UNION STAFF	UNIONIZED STAFF*
Life insurance	Bonus
Disability and invalidity coverage	Holidays
Parental leave	Vacation premium
Retirement plan	Attendance award
Saving Fund	Punctuality Award
Marriage aid	Pantry vouchers
Death leave	PTU guarantee (days)
PTU guarantee	Life insurance
Holidays in addition to those of law	Funeral aid
	Support for sports expenses
	Scholarships
	Help for Congresses / Conventions

* Established in the collective work contract, the days, amounts or percentages depend on each contract. Most contemplate the exposed ones.

[401-1]

It is extremely important that our collaborators have the necessary support to have a good work and family balance. Sample of them are the figures of parental leave granted during 2019, which consisted of 242 collaborators who took their maternity leave and 635 employees who enjoyed their paternity leave.

As a result of our actions, during the year we had a 3.89% * staff turnover, broken down as follows:

2019 STAFF TURNOVER BY SEX *		
Male	3.18%	81.75%
Female	0.71%	18.25%
TOTAL	3.89%	100.00%

* Data corresponding only to Bachoco México.

Committed to the development of our communities and the country, through support for the SDGs, we generated 13,671 jobs during the year, distributed as follows:

HIRING 2019 BY AGE			HIRING 2019 BY SEX		
18 to 25 years	4,482	32.78%	Female	2,664	19.49%
26 to 35 years	5,422	39.66%	Male	11,007	80.51%
36 to 45 years	2,750	20.12%	TOTAL	13,671	
46 to 55 years	931	6.81%			
56 years and up	86	0.63%			
TOTAL	13,671				

TRAINING AND DEVELOPMENT ^[103-2]



An essential part of our strategy is to strengthen the development of our collaborators so that they continue to grow professionally. During 2019, the Bachoco Center of Excellence strengthened the skills of 1,632 collaborators through certification and updating programs focused on the areas: Technical and Process, Research and Development, and Leadership. Added to this educational offer are the English and micro learning strengthening programs.

The Update Circle initiative is a technological self-learning tool for the development of management, leadership and strategic vision skills through reading.

One of our prides is the Talent Seedbed, a program with which we promote the young talent of our company through plans focused on technical and specialized training, and which helps to generate management skills so that they occupy positions of leadership level. In 2019, the program promoted 73 collaborators.

We had 5,868 participants in our Center of Excellence programs.

On another hand, we have three development plans. The first is by succession, which allows improving the skills of the collaborators for a specific projected position; the second is

strengthening, which strengthens the skills of those recently entered members who occupy managerial positions or where there was movement in the area. Finally, the performance plan focuses on improvement actions to attend to the detected areas of opportunity to ensure the employee's permanence in the company.

The average training that we imparted to our collaborators during 2019 was 14.60 hours.

We rely on two tools to detect the areas of opportunity of the collaborators, on one hand, the performance evaluations that we carry out, and on the other hand, the professional development evaluation RETO (Strategic Talent Review).

Regarding the same line of performance, we have a program to work in the areas of opportunity detected in the staff and thus ensure their permanence and growth in the company.

2,496 collaborators evaluated through RETO.

10,887 collaborators received performance evaluation.

SAFETY, HEALTH AND HYGIENE



During the year we reinforced our efforts focused on protecting our employees and taking care of their health through the Well-being program at all levels of the company and including their families in some of the launched initiatives.

Internally, we work in three stages: Check yourself, Nourish yourself and Get active.

In 2019 we carried out 16 Labor Well-being activities.

CHECK YOURSELF

During May, we held the Wellness week, dedicated to the health of our collaborators, where we invited them to participate in all kind of activities such as: informative talks, deworming, vaccination, ophthalmological and dental check-up, among others.

11,939 employees participated in the 2019 Wellness week.

NOURISH YOURSELF

At this stage, we guide our collaborators on how to eat a balanced diet, and we organize a challenge to invite them to eat a healthy diet.

Nutritional consultations: we make a nutrition area available to employees to guide them and

monitor their health and balanced diet.

Chicken if I lose: event where the staff participates by donating kilos and centimeters from a diet and exercise recommended by the nutrition area.

Challenge 21 - "21 days without sugar": we inform our employees about all the kinds of food that contain sugar, when and how they should be consumed and the benefits of this group of food.

As a result:

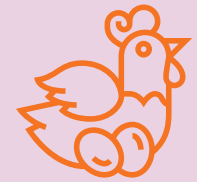
- 227 collaborators signed in the challenge, which translated into:
 - 369 kilos reduced in body weight.
 - 630 centimeters on waist reduction.

GET ACTIVE

This initiative consists of a space of five minutes, once per shift, of recreation and relaxation with stretching and relaxation exercises. This helps to:

- Increase the ability to concentrate.
- Promote social integration.
- Decrease the risk of occupational disease.
- Improve job performance.





ANIMAL WELFARE ^[416-1]

We take proper care of the health and well-being of all our animals throughout their lives. Our guide to ensure their welfare throughout the process has been to rigorously comply with various regulations of our industry, which stipulate the correct care so that each type of animal goes through a dignified process.

NORMATIVE	DESCRIPTION
NOM-008-ZOO-1994	Animal health specifications for the construction and equipment of establishments for the slaughter of animals.
NOM-009-ZOO-1994	Sanitary process of the meat.
NOM-024-ZOO-1995	Animal health specifications and characteristics for the transport of animals and food for use in or consumption by animals.
NOM-033-ZOO-1995	Humanitarian slaughter of domestic and wild animals.
NOM-194-SSA1-2004	Sanitary specifications in establishments dedicated to the slaughter and dressing of animals. Sanitary product specifications.
NOM-022-ZOO-1995	Animal health characteristics and specifications for the facilities, equipment and operation of establishments that commercialize chemical, pharmaceutical, biological and food products for use in or consumption by animals.
NOM-060-ZOO-1999	Animal health specifications for the transformation of animal offal and its use in animal feed.
NOM-061-ZOO-1999	Animal health specifications of food products for animal consumption.
Federal Animal Health Law.	
Regulation of the Federal Animal Health Law	
Regulation of sanitary control of products and services	
Law and regulation of the sanitary industrialization of meat	

6. WE TAKE CARE OF OUR PLANET ^[102-11]



The basis of our brand are animals, an element that is a fundamental part of the environment, in addition to the use of natural resources during our processes, therefore, this is an axis of utmost importance for us, which we periodically review and in which we continue learning and growing.

WATER



Water is one of the most important resources in our production, the reason which why we continually seek to implement new measures for its proper management. We have wastewater treatment plants in our production centers, we implement capillary leaching or infiltration ditches, through which we filter and polish the water for a second use.

During 2019, we inaugurated four new capillary leaching ditches.

90% of the water we use during our production processes is extracted from groundwater and the remaining 10% comes from municipal public networks for some plants.

ENERGY



On energy issues, we have implemented different measures. We use solar panels to supply certain areas of our facilities, we also change the use of fuel oil to natural gas in all our workplaces, and our swine farms in Mexico run on biogas.

On the other hand, we continue to use part of our waste to convert it into energy through the biodigesters on our farms, which helps us to reduce natural gas consumption and take advantage of a renewable fuel source.

In order to establish goals focused on reducing our environmental footprint, during 2019 we reviewed the internal processes of our entire operation, helping us to better understand the management of resources and generate a strategy tailored to our needs.



7.

WE CONTRIBUTE TO OUR COMMUNITY ^[413-1]

At Bachoco we believe that as a company we can have a greater positive impact for the community around us through better products, offering quality services and a greater benefit through the generation of wealth.

It is for this reason that we have launched various programs with which we seek to strengthen the community.

NOURISHING TOGETHER



In 2015, we organized our first race with a social cause, whose logistics was updated in 2017 to create the Bachoco Half Marathon, and this year we held the third edition, where we invited collaborators and outsiders to run in order to contribute to rural nutrition.

In 2019, thanks to the participation of 2,000 runners, we built the Coordination of Actions for Children (CAFI) dining room.

We allocate the funds raised in our careers to communities where we have a presence. This support is carried out from three lines of action:

- Construction and rehabilitation of dining rooms with the money raised in the races that we carry out.
- Provision of product to community kitchens for the good nutrition of the vulnerable population.
- Community nutrition through food management and preparation talks to community volunteers.

In 2019, we benefited 18,200 children and older adults.

In alliance with the National System for the Integral Development of the Family (DIF), this year we contributed 28 tons of chicken, 20 tons of egg, 2.5 tons of basic basket products and 2,457,000 full breakfasts, in community dining rooms in Guanajuato, Nuevo León, Coahuila, Sinaloa, Jalisco, Veracruz and Yucatan.

Since 2015, we have rehabilitated 18 community dining rooms, built 2 dining rooms and benefited more than 75,000 people.

On the other hand, during the month of October, commemorating the world food day, we organized five races in the towns where we have operations, where the participants register by donating food.

INSTITUTIONAL DONATIONS PLAN



We designed this program to contribute with donations, both financial and in kind, to various actors in our social environment such as institutions or civil associations that are committed to issues of food, nutrition, education, social assistance or the Red Cross.

We have benefited an average of 33,000 people since the beginning of the project.

Our main objective, for more than 30 years with this project, is to promote development in the community and help reduce social impact through priority attention in the regions where we have operations.

In 2019, we invested \$ 13,042,000 to benefit 33,869 people through 102 tons of chicken, 312 tons of eggs and 667,488 breakfasts.

OTHER INITIATIVES



We have a program ready to put into action in the event of a natural disaster, the Mobile Food Emergency System (SUMA). With it we support our collaborators who are affected, as well as the communities that require it.

We make available to the population affected by natural disasters, a mobile dining room where we provide food to the inhabitants.

In 2019, through our Business Unit Center, we signed an agreement with the Government of the State of Guanajuato to receive the Impulso Guanajuato card that offers discounts at the Bachoco Super Store and the Mercado de Abastos Store, both based in the city of Celaya, in the purchase of whole chicken under high vacuum, eggs, value-added products and pet food in order to benefit the family economy of the most vulnerable population.

In 2019, we promoted the professional development, skills and knowledge of 2,000 young people, by joining the Youth Building the Future program, with various of our production operations.



8. ABOUT THIS REPORT



[102-1, 102-5, 102-10, 102-48, 102-49, 102-50, 102-52, 102-54]

This report shows the results obtained by Bachoco México, with ownership and legal form Industrias Bachoco S.A.B. de C.V., in a period from January 1 to December 31, 2019.

Our report presents the information organized in the following five sections:

- Our culture
- We strengthen our business
- We boost our talent
- We take care of our planet
- We contribute to our communities

“This report has been prepared in accordance with the GRI Standards: Core option” and there was no verification or restatement of the information published annually. On the other hand, during the year, our organization did not have significant changes or the supply chain that supports us.





9. MATERIALITY

[102-46, 102-47, 103-1]

To define the information reflected here, we executed a Materiality study, where there was a dialogue with our Stakeholders and was complemented by an analysis of the Sustainability Context in which we operate. Once this exercise was completed, we carried out an exhaustive analysis of the resulting themes to generate a basis from which to start and communicate them with increasing quality based on: precision, balance, clarity, comparability, reliability and punctuality.

DEFINING THE CONTENTS OF THE REPORT:



MATERIAL THEME	COVERAGE	
	INTERNAL	EXTERNAL
Talent attraction and retention	X	
Emissions		X
Compliance / SAGARPA Certification		X
Biosecurity in products		X
Water		X
Contamination		X
Research and innovation	X	X
Social support		X
Efficient execution	X	
Packaging		X
Corporate governance	X	
Brand value - company	X	
Energy		X
Union relationship	X	
Customer service		X

GRI CONTENT INDEX [102-55]

Disclosure	Content	Answer
BASIC GENERAL DISCLOSURES		
GRI 102: General Disclosures 2016		
1. Organizational profile		
102-1	Name of the organization	P. 34
102-2	Activities, brands, products, and services	P. 12-13
102-3	Location of headquarters	Av Tecnológico 401 Celaya, Gto. 38010, México.
102-4	Location of operations	P. 8
102-5	Ownership and legal form	P. 34
102-6	Markets served	P. 12-13
102-7	Scale of the organization	P. 6-7
102-8	Information on employees and other workers	<p>a. 22,852 collaborators with permanent contracts and 1,009 with temporary contracts.</p> <p>Permanent contract: Female 5,177 / Male 17,675</p> <p>Temporary contract: Female 305 / Male 704</p> <p>b. Permanent contract: CENTRO 6,082 / CORPORATIVO 474 / NORESTE 3,025 / NOROESTE 4,900 / PENINSULA 4,398 / SOUTHEAST 3,973</p> <p>Temporary contract: CENTRO 227 / CORPORATIVO 14 / NORTHEAST 161 / NORTHWEST 330 / PENINSULA 59 / SOUTHEAST 218</p> <p>c. All collaborators are full time</p> <p>d. Does not apply</p> <p>e. Does not apply</p> <p>f. SAP Source</p>
102-9	Supply chain	P. 16
102-10	Significant changes to the organization and its supply chain	P. 34
102-11	Precautionary Principle or approach	P. 26-29
102-12	External initiatives	Economic: Annual Report, Best Practices Questionnaire, Shareholding Questionnaires, NYSE Annual Written Affirmation Letter.
102-13	Membership of associations	Unión Nacional de Avicultores.
2. Strategy		
102-14	Statement from senior decision-maker	P. 4-5

102-15	Key impacts, risks, and opportunities	P. 4-5
3. Ethics and integrity		
102-16	Values, principles, standards, and norms of behavior	P. 8-9
4. Governance		
102-18	Governance structure	P. 18
5. Stakeholder engagement		
102-40	List of stakeholder groups	In relation to IR; Stock markets in Mexico and the USA; Investors; Analysts; Investment funds; Afores; Credit Institutions.
102-41	Collective bargaining agreements	55.7% corresponds to Unionized personnel, which are governed through the CCT.
102-42	Identifying and selecting stakeholders	The natural audiences of a public company in Mexico and the US
102-43	Approach to stakeholder engagement	As for investors, they participate in quarterly results calls and different forums in Mexico and the United States. Regarding the preparation of the report, there has been input from stakeholders regarding the type of information that their agencies are following up on.
102-44	Key topics and concerns raised	The coverage of issues and concerns corresponding to each stakeholder is reflected in our annual BMV report and is complemented by this report.
6. Reporting practice		
102-45	Entities included in the consolidated financial statements	Aviser, S.A. de C.V., Bachoco, S.A. de C.V., Bachoco Comercial, S.A. de C.V., Campi Alimentos, S.A. de C.V., Operadora de Servicios de Personal, S.A. de C.V., PEC LAB, S.A. de C.V., and subsidiary, Secba, S.A. de C.V., Sepetec, S. A. de C.V., Servicios de Personal Administrativo, S.A. de C.V., Induba Pavos, S.A. de C.V., Bachoco USA, LLC. and subsidiary, Wii kit RE LTD., Proveedora La Perla S.A. de C.V.
102-46	Defining report content and topic Boundaries	P. 36-37
102-47	List of material topics	P. 36-37
102-48	Restatements of information	P. 34
102-49	Changes in reporting	P. 34
102-50	Reporting period	P. 34
102-51	Date of most recent report	The last report was presented internally in 2018. This is the first public report.
102-52	Reporting cycle	P. 34

102-53	Contact point for questions regarding the report	<p>Planning, Communication and Change Gabriela Aguilar Rico gabriela.aguilar@bachoco.net</p> <p>Edith Mariana Aldaba García edith.aldaba@bachoco.net T. +52(461)618 3555</p>
102-54	Claims of reporting in accordance with the GRI Standards	P. 34
102-55	GRI content index	P. 38
102-56	External assurance	This report was not externally verified.

MATERIALE TOPICS

Energy

GRI 302: Energy 2016

302-1	Energy consumption within the organization	There is currently no detailed record. In 2019 we reviewed internal processes to better understand resource management and generate a strategy tailored to our needs.
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Water

GRI 303: Water and effluents 2016

303-5	Water consumption	There is currently no detailed record. In 2019 we reviewed internal processes to better understand resource management and generate a strategy tailored to our needs.
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Emissions

GRI 305: Emissions 2016

305-1	Direct (Scope 1) GHG emissions	There is currently no detailed record. In 2019 we reviewed internal processes to better understand resource management and generate a strategy tailored to our needs.
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Talent attraction and retention

GRI 401: Employment 2016

401-1	New employee hires and employee turnover	P. 22 The breakdown by region is private information.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	P. 21 Employees from top level to top also have insurance for major medical expenses and an 18-day flex plan.

401-3	Parental leave	<p>P. 22</p> <table border="1"> <tr> <td>a. Row labels</td> <td>No. employees</td> </tr> <tr> <td>Female</td> <td>7793</td> </tr> <tr> <td>Male</td> <td>28419</td> </tr> <tr> <td>Grand total</td> <td>36212</td> </tr> </table> <table border="1"> <tr> <td>C. Row labels</td> <td>R</td> </tr> <tr> <td>Maternity</td> <td>167</td> </tr> <tr> <td>Paternity leave</td> <td>494</td> </tr> <tr> <td>Grand total</td> <td>661</td> </tr> </table> <table border="1"> <tr> <td>D. Row labels</td> <td>A</td> </tr> <tr> <td>Maternity</td> <td>148</td> </tr> <tr> <td>Paternity leave</td> <td>463</td> </tr> <tr> <td>Grand total</td> <td>611</td> </tr> </table>	a. Row labels	No. employees	Female	7793	Male	28419	Grand total	36212	C. Row labels	R	Maternity	167	Paternity leave	494	Grand total	661	D. Row labels	A	Maternity	148	Paternity leave	463	Grand total	611
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GRI 402: Labor-management relations 2016

402-1	Minimum notice periods regarding operational changes	The deadline for notification of changes derived from contractual reviews is one week and 30 days to deposit the contracts at the Conciliation Board.
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Union relationship

GRI 407: Freedom of association and collective bargaining 2016

407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Derived from the 2019 labor reform, the plan is currently being carried out to Unionize workplaces at the national level (32 CEDIS or (DC), in order to mitigate risks related to the interference of third-party unions. We do not evaluate union supplier relationships.
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Social support

GRI 413: Local communities 2016

413-1	Operations with local community engagement, impact assessments, and development programs	P. 19, 30-33
413-2	Operations with significant actual and potential negative impacts on local communities	No operations with significant negative impacts on local communities have been identified.

Biosecurity in products

GRI 416: Customer health and safety 2016

416-1	Assessment of the health and safety impacts of product and service categories	P. 27 100% of the products are evaluated.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There have been no cases of non-compliance related to impacts on the health and safety of our products.

Packaging		
GRI 417: Marketing and labeling 2016		
417-1	Requirements for product and service information and labeling	P. 14
417-2	Incidents of non-compliance concerning product and service information and labeling	There have been no cases of non-compliance related to information and labeling.
417-3	Incidents of non-compliance concerning marketing communications	There have been no cases of non-compliance related to information and labeling.
Customer service		
GRI 416: Customer health and safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	P. 27 100% of the products are evaluated.
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There have been no cases of non-compliance related to impacts on the health and safety of our products.
GRI 418: Customer privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No substantiated claim was received.
Corporate governance		
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its Boundary	P. 36-37
103-2	The management approach and its components	P. 18
103-3	Evaluation of the management approach	P. 18
Compliance / SAGARPA Certification		
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its Boundary	P. 36-37
103-2	The management approach and its components	P. 27
103-3	Evaluation of the management approach	P. 27
Pollution		
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its Boundary	P. 36-37
103-2	The management approach and its components	P. 26-29
103-3	Evaluation of the management approach	P. 26-29

Great brand-company value		
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its Boundary	P. 36-37
103-2	The management approach and its components	P. 16
103-3	Evaluation of the management approach	We have studies, such as the Brand Health Check that serve as an indicator and thermometer of how strategies work. In 2019 the results were favorable reflected in the BCH and in the increase in the base of followers and visits to our website.
Research and innovation		
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its Boundary	P. 36-37
103-2	The management approach and its components	P. 14 The product development department is responsible for leading, managing, and operating the product development process for the entire company.
103-3	Evaluation of the management approach	Continuous review of product development processes are carried out to measure its effectiveness and efficiency, thereby generating improvement actions. In 2019 the results were positive.
Efficient execution		
GRI 103: Management approach 2016		
103-1	Explanation of the material topic and its Boundary	P. 36-37
103-2	The management approach and its components	P. 23 In our Center of Excellence we have the Continuous Improvement Program, which incorporates the Lean Six Sigma (LSS) methodology into our organizational culture to guarantee the success of projects aimed at efficiency and cost reduction.
103-3	Evaluation of the management approach	In 2019, 85 projects were implemented nationwide focused on efficiency, which generated savings of more than \$ 25 million USD.